

BYLAWS

OF THE _____ Credit Union

ARTICLE I

Name

The name of this Credit Union shall be the _____
_____ Credit Union.

ARTICLE II

Purposes

Section 1. The purpose of this Credit Union shall be:

- (a) to foster economic democracy through this Credit Union;
- (b) to bring the ideal of economic freedom to our Credit Union Members to the end that the use of money be based upon the beneficial needs of Members and not upon greed;
- (c) to bring those higher conceptions of a more perfect economic life which will truly be of the people, by the people, and for the people;
- (d) to promote thrift by receiving the savings of its Members in payment for shares;
- (e) to make loans to members in the way and manner provided by Law; and
- (f) to invest the savings of its members in the way and manner provided by law, and
- (g) to exercise those functions described in the Laws of the State of Kansas governing Credit Unions, and to exercise all other powers granted to corporations generally which are not inconsistent with Laws specifically applicable to Credit Unions.

ARTICLE III

Membership

Section 1. Membership in this Credit Union is limited to _____

Membership, once established, may continue even though the Credit Union Member would not be eligible for new Membership.

Section 2. Membership is determined by action on applications for Membership by the Board of Directors or approval by a Membership Officer; and, by subscription to one or more shares and payment for them.

Section 3. The board may authorize a Membership Officer, or Officers, appointed by the Board to serve at its pleasure. Membership Officers may approve applications for Membership under such conditions as the Board and these Bylaws may provide.

ARTICLE IV Meetings

Section 1. The first annual meeting of the Members and subsequent annual meetings shall be held within the first 120 days of each fiscal year unless by action of the Board of Directors a different date is established. Such date shall be within eighteen months of the previous annual meeting. At least seven days before the date of any annual or special meeting of the Members, the secretary shall cause written notice thereof to be given to each Member or mailed to each Member at the Member's address if the same appears on the records of this Credit Union, provided, however, that a bulletin board notice or similar notice which is conspicuously displayed and accessible to Members shall be construed a sufficient notice. Any meeting of the Members, whether annual or special, may be held without prior notice at any place or time if all the Members entitled to vote and who are not present at such meeting shall in writing waive notice thereof before, during or after the meeting.

Section 2. Twelve Members shall constitute a quorum. If a quorum is not present on the date first designated for a regular or special meeting of the Credit Union, the meeting shall be adjourned for ten days and a second notice shall be given to all Members, containing the date of the adjourned meeting. Those present at the second meeting shall constitute a quorum for the transaction of business.

Section 3. Voting shall be as provided by Law. The Board of Directors may establish a minimum age, not greater than sixteen years of age, as a qualification for eligibility to vote at meetings of the Members. The Board of Directors may establish additional regulations as to voting which may include, but are not limited to, allowing for absentee or mail balloting.

Section 4. The Board of Directors or the Supervisory Committee of the Credit Union may call Membership meetings; and, special Membership meetings shall be held on the request, in writing, of ten percent of the Members. All notices of special meetings shall state clearly the purpose of the call for the meeting, and at said meeting no other business shall be transacted except as set forth in the call. Notice of special meetings shall be given in the same manner as for annual meetings.

Section 5. The order of business at the annual meeting may be as follows, or as established by the Board of Directors:

- 1) determination of a quorum;
- 2) reading of the minutes of the last meeting;
- 3) report of the Directors'
- 4) report of the Treasurer;
- 5) report of the Credit Committee;
- 6) report of the Supervisory Committee;
- 7) unfinished business;
- 8) new business (including elections); and
- 9) adjournment.

Section 6. At any meeting the Members may decide on any matter of interest to the Credit Union not inconsistent with Law, may overrule the Directors, and may amend the Bylaws as provided in Article XVI,

Section 7. Robert's Rules of Order shall be the rules of procedure for the conduct of business at all meetings of this Credit Union, and its Board of Directors and Committees, unless the Law, these Bylaws or Board policy provide differently.

ARTICLE V

Board of Directors

Section 1. The Board of Directors shall consist of _____Members, elected as follows:

For the purposes of these Bylaws the first meeting of the incorporators, after permission has been granted them to operate a Credit Union, shall be called the first annual meeting. At the first annual meeting there shall be elected _____Directors to serve until the second annual meeting following, _____to serve until the third annual meeting following, and _____to serve until the fourth annual meeting following; thereafter all elections shall be for terms of three years unless otherwise provided in these Bylaws. Vacancies on the Board of Directors shall be filled by appointment by the Board. An individual appointed to fill a vacancy on the Board shall serve _____

(CHOOSE ONE: (1) the unexpired term of the vacancy OR
(2) until the next annual meeting of the Membership, in which event an election shall be held for the unexpired term).

Section 2. At the first meeting of the Board of Directors, which shall be held not later than seven days after the annual meeting, the Board shall elect from their own number a _____

(CHOOSE ONE: (1) President, a Vice-President OR
(2) Chairperson, a Vice-Chairperson

a Secretary, and a Treasurer. The office of Secretary and Treasurer may be held by the same person. The Board of Directors shall meet as often as the Law and the business of the Credit Union may require upon notification by the Secretary. A majority of the Members of the Board of Directors shall constitute a quorum.

Section 3. The Board of Directors shall be responsible for the general management of the affairs, funds and records of the Credit Union and shall by appropriate resolution designate who shall have authority to sign checks, notes, and drafts drawn by the Credit Union, and may by appropriate resolution employ an officer in charge of operations whose title shall be _____

_____.

(CHOOSE ONE: (1) General Manager OR
(2) President

Section 4. No Member of the Board, as such, or of the Credit Committee or the Supervisory Committee shall receive any compensation for serving as a Member of the Board or as a Member of either of the Committees except as otherwise provided in these Bylaws. The Board may provide Directors or Committee Members with such insurance protections, necessary expense reimbursements, and such other compensations or reimbursements as the Law allows.

OPTIONAL (STRIKE THROUGH SECTION 5 IF NOT ADOPTED)

Section 5. The Board of Directors may elect an Executive Committee of not less than three (3) members. The Executive Committee shall act on behalf of the Board of Directors, exercising the same authority and responsibility as the Board of Directors between regular or special meetings of the Board. The Executive Committee shall be authorized to take any action on behalf of the Credit Union that could be taken by the Board of Directors, if such action is not limited or restricted by either policy or specific action of the Board or the Membership. All actions of the Executive Committee shall be reported to the next meeting of the full Board.

ARTICLE VI
Executive Officers and Their Duties

Section 1. The Executive Officers of this Credit Union shall be defined in Article V, Section 2, of the Bylaws.

Section 2. The duties of the President or Chairperson (whichever applies) shall be to preside at meetings of the Members of the Board of Directors, and to perform all the other usual duties connected with the office.

Section 3. The Vice-President or Vice-Chairperson (whichever applies) shall, in the event of the absence or disability of the President or Chairperson (whichever applies) perform the duties of that office and such other duties as the Board of Directors may from time to time authorize.

Section 4. The Treasurer may be the officer in charge of operations of the Credit Union, and shall be the custodian of the funds, securities, books of account, and all other valuable papers of the Credit Union. In the event of the disability of the Treasurer, these duties shall be performed, during each period of disability, by some person duly appointed for the purpose by the Board of Directors.

Section 5. The Secretary shall keep a correct record of all meetings of the Members and of the Board of Directors. The Secretary shall give notice of all meetings of the Members in the way and manner hereinbefore provided, and, shall perform all other duties incident to the office.

ARTICLE VII
Credit Committee

CHOOSE EITHER 1A OR 1B, AND STRIKE THE OTHER.

Section 1A. The Credit Committee shall consist of _____ Members, elected by and from the Membership in the following manner: At the first annual meeting following incorporation, _____ Member(s) of the Credit Committee shall be elected to serve until the second annual meeting, _____ Member(s) to serve until the third annual meeting, and _____ Member(s) to serve until the fourth annual meeting. All elections thereafter shall be for terms of three years, unless otherwise provided in these Bylaws. No Director except the Treasurer, may serve on the Credit Committee. Vacancies in the Credit Committee shall be filled by appointment by the Board of Directors. An individual appointed by the Board shall serve _____.

(CHOOSE ONE: a. the unexpired term of the vacancy OR
b. until the next annual meeting of the Membership in which event the election shall be held for the unexpired term).

Section 1B. The Credit Committee shall consist of _____Members, appointed by the Board of Directors to serve such terms as follows: Credit Committee Members shall serve terms of _____ year(s) except that at the first meeting of the Board following incorporation, the Board may provide for initial terms designed to stagger the terms of service of Credit Committee Members. No Director except the Treasurer, may serve on the Credit Committee. Vacancies shall be filled by appointment by the Board of Directors. An individual so appointed shall serve the unexpired term of the vacancy and is thereafter eligible for reappointment.

Section 2. The Credit Committee shall have such powers and duties as are given to it by Law, including but not limited to the appointment of loan officers.

Section 3. The Credit Committee shall keep a record of its proceedings, an official copy of which shall be kept at the Credit Union Office.

ARTICLE VIII Supervisory Committee

CHOOSE EITHER 1A OR 1B, AND STRIKE THE OTHER.

Section 1A. The Supervisory Committee shall consist of _____Members, elected by and from the Membership as follows: At the first annual meeting following incorporation, _____ Member(s) shall be elected to serve until the second annual meeting, _____ Member(s) to serve until the third annual meeting, and _____ Member(s) to serve until the fourth annual meeting. All elections thereafter shall be for a period of three years, unless otherwise provided in these Bylaws. One Director, other than the Treasurer, may serve on the Supervisory Committee. Vacancies shall be filled by appointment by _____.

(CHOOSE ONE: a. the Supervisory Committee OR
b. the Board of Directors

An individual so appointed shall serve _____.

(CHOOSE ONE: a. the unexpired term of the vacancy OR
b. until the next annual meeting of the Membership in which event the election shall be held for the unexpired term).

OR

Section 1B. The Supervisory Committee shall consist of _____Members, appointed by the Board of Directors to serve such terms as follows: Supervisory Committee Members shall serve terms of ____ year(s) except that at the first meeting of the Board following incorporation, the Board may provide for initial terms designed to stagger the terms of service of Supervisory Committee Members. Vacancies shall be filled by appointment by the Board of Directors from among the members of this Credit Union. An individual so appointed shall serve the unexpired term of the vacancy and is thereafter eligible for reappointment. . One Director, other than the Treasurer, may serve on the Supervisory Committee.

Section 2. The Supervisory Committee shall have such powers and duties as are authorized by Law.

ARTICLE IX

Shares

Section 1. The par value of a share shall be five dollars or as established by the Board of Directors from time to time if allowed by the Articles of Incorporation of this Credit Union. Shares may be issued as provided by Law and as established by the Board of Directors.

Section 2. The Credit Union has a lien on shares and right of setoff against a Member's obligations as provided by Law unless contractually waived.

Section 3. Fully paid shares may be transferred to any person eligible for Membership, upon request of the Member and subject to approval as provided by Law.

Section 4. A Member may withdraw shares on any day when payments for shares may be received, provided that the Board of Directors may require a sixty-day notice from the withdrawing Member. Such withdrawing Member shall receive the amount paid in on shares, together with such dividends as have been credited thereto, less any lawful obligations due to the Credit Union. Withdrawals shall be met in the order of filing and as funds therefor become available. No Member who has filed a notice of intention to withdraw shall exercise any of the privileges of Membership.

Section 5. Shares may be issued in the name of a minor in such way and manner as the Board of Directors may determine and the Law allows. Shares may be issued in trust in such way and manner as the Board of Directors may determine and the law allows.

ARTICLE X

Expulsion

Section 1. The Board of Directors may expel any Member for cause in accordance with such policies for Member expulsion as may be required by law.

Section 2. At any regularly called meeting the Members, by two-thirds vote of those present, may expel from the Credit Union any Member thereof.

ARTICLE XI

Power to Borrow

Section 1. The Credit Union may borrow from any source selected by the Board of Directors provided that the total of such borrowing shall at no time exceed the legal limit as prescribed by Law.

ARTICLE XII

Investment of Surplus Funds

Section 1. All monies of the Credit Union may be invested through the Board of Directors as provided by Law.

ARTICLE XIII

Loans

Section 1. Loans shall be made only to Members pursuant to policies established by the Board of Directors.

Section 2. All loans and advances shall be secured by the written promise of the borrower and such other collateral as may be taken in accordance with the policies of the Board of Directors.

Section 3. The rate of interest to be charged on loans shall be established by the Board of Directors, and shall in no event exceed the lawful rate.

Section 4. The Board of Directors shall determine the rate or rates and conditions of interest refunds, if any, to be made to borrowing Members.

Section 5. No loan shall be made in excess of the amount permitted by Law and unless a written application for such loan or advance has been received and processed according to Law and established lending policies.

Section 6. A borrower may repay the whole or any part of the borrower's loan on any day on which the office of the Credit Union is open for transaction of business, except that on a first or second mortgage loan, the Credit Union may require that any partial prepayments be made concurrently with a regular monthly installment and be in the amount of that part of one or more monthly installments which would be applicable to the current principal balance after payment of all interest then due.

ARTICLE XIV Reserve Fund

Section 1. The Credit Union shall maintain a reserve fund as provided by Law.

ARTICLE XV Dividends

Section 1. Dividends shall be paid pursuant to Law from net earnings (undivided earnings) or from other funds set aside for dividends as determined by the Board of Directors.

ARTICLE XVI Amendments

Section 1. These Bylaws may be amended by a three-fourths vote of the Members present at any meeting, provided that notice of the meeting shall contain a true copy of the proposed amendment and provided that the notice shall have been given in the way and manner provided in these Bylaws.

Section 2. Amendments of these Bylaws may be adopted and amendments of the charter requested by affirmative vote of two-thirds of the authorized number of Members of the Board at any duly held meeting thereof, if the Members of the Board have been given prior written notice of the meeting, and the notice has contained a copy of the proposed amendments.

Section 3. No amendment shall become operative until approved by the Credit Union Administrator and until a certified copy has been filed in the way and manner provided for filing original Bylaws or for amending the charter.

ARTICLE XVII
Conformity Law

Section 1. The Board of Directors is authorized to make application to the Credit Union Administrator for approval for this Credit Union to engage in any activity in which this Credit Union could engage were this Credit Union operating as a Federally chartered Credit Union.

ARTICLE XVIII
Continuity

The terms of office of existing Executive Officers, Board Members and Committee Members shall continue uninterrupted by the adoption of these Bylaws, but the election (or appointment where applicable) of new Executive Officers, Board Members and Committee Members shall be for terms provided for herein and where these Bylaws so provide, shall be for the staggered terms consistent with these Bylaws.

ARTICLE XIX
Dissolution

Section 1. This Credit Union may be dissolved in the way and manner provided by Law.

BOARD VOTE – TOTAL REVISION

CERTIFICATE OF AMENDMENT

This is to certify that at a _____ (regular or special) meeting of the Board of Directors of the _____ Credit Union held at _____, Kansas, on the _____ day of _____ 20_____, legal notice having been given that the following amendment to the bylaws was to be submitted, and a quorum being present, the following resolution was adopted by at least two-thirds (2/3) vote of all Board members present:

Resolved: That all present bylaws be repealed and new bylaws be adopted as of _____, 20_____.

Credit Union

Chairperson/President of the Board

Secretary/Secretary-Treasurer

Approved this _____ day of _____, 20_____.

Credit Union Administrator, State of Kansas

MEMBERSHIP VOTE - TOTAL REVISION

CERTIFICATE OF AMENDMENT

This is to certify that at a _____ (special or annual) meeting of the
Membership of the _____ Credit Union
held at _____, Kansas on the _____ day of _____
day of _____, 19_____, legal notice having been given that
the following amendment to the bylaws was to be submitted, and a quorum being present,
the following resolution was adopted by at least three-fourths (3/4) vote of all members present:

Resolved: That all present bylaws be repealed and new bylaws be adopted as of
_____, 19_____.

Credit Union

Chairperson/President of the Board

Secretary/Secretary-Treasurer

Approved this _____ day of _____, 19_____

Credit Union Administrator, State of Kansas